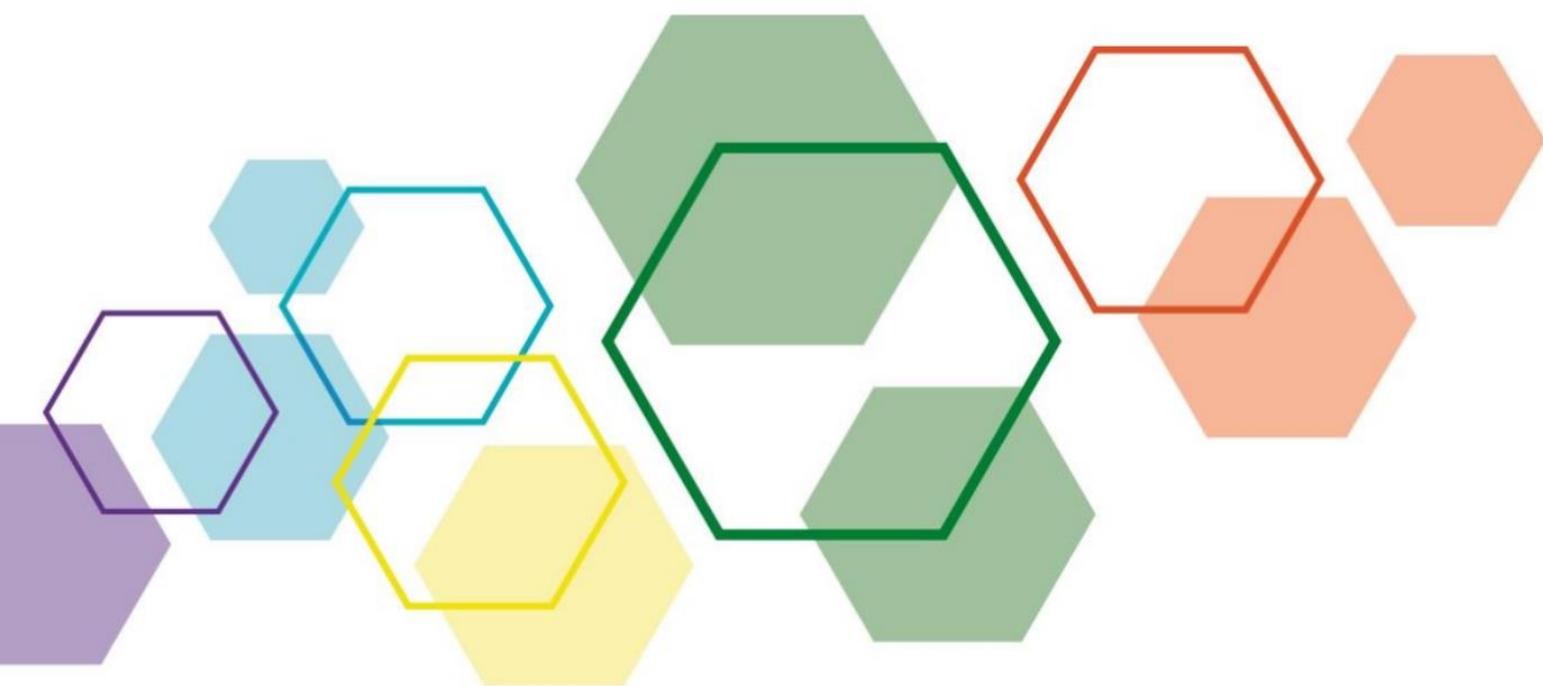


DRAFT EUROPEAN SUSTAINABILITY REPORTING STANDARDS

Appendix VI - Acronyms and glossary of terms



November 2022

1. This appendix presents all the acronyms found in the [draft] ESRS (Table 1) and well as all terms defined in Appendix A of the different [draft] ESRS (Table 2).

Table 1 - Acronyms

ACA	Absolute Contraction Approach
AMS	Automated Measuring Systems
AQI	Air Quality Indices
AR	Application Requirements
ASHRAE	American Society of Heating, Refrigerating and Air-Conditioning Engineers
AWS	Alliance for Water Stewardship
BAT	Best Available Technique
BAT-AEL	Best Available Technique-Associated Emission Level
BAT-AEPLs	Best Available Technique-Associated Environmental Performance Level
BBOP	Business and Biodiversity Offsets Programme
BC	Basis for Conclusions
BECCS	Bioenergy with Carbon Capture and Storage
BREFs	Best Available Techniques Reference Documents
Btu	British Thermal Units
CapEx	Capital Expenditure
CBD	Convention for Biological Diversity
CCS	Carbon Capture and Storage
CDDA	Common Database on Designated Areas
CDP	Carbon Disclosure Project
CDSB	Climate Disclosure Standards Board
CH4	Methane
CICES	Common International Classification of Ecosystem Services
CMIP5	Coupled Model Intercomparison Project Phase 5
CO2	Carbon Dioxide
CRR	Capital Requirements Regulation
CSRD	Corporate Sustainability Reporting Directive
DC-A	Disclosure Content - Actions and resources in relation to material sustainability matters
DC-M	Disclosure Content - Metrics in relation to material sustainability matters
DC-P	Disclosure Content - Policies adopted to manage material sustainability matters
DC-T	Disclosure Content - Targets - Tracking effectiveness of policies and actions through targets
DEGURBA	Degree of Urbanisation
Disclosure Requirement BP-1	Disclosure Requirement - General basis for preparation of the sustainability statements
Disclosure Requirement BP-2	Disclosure Requirement - Disclosures in relation to specific circumstances

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Disclosure Requirement GOV-1	Disclosure Requirement - The role of the administrative, management and supervisory bodies
Disclosure Requirement GOV-2	Disclosure Requirement - Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies
Disclosure Requirement GOV-3	Disclosure Requirement - Integration of sustainability-related performance in incentive schemes
Disclosure Requirement GOV-4	Disclosure Requirement - Statement on sustainability due diligence
Disclosure Requirement GOV-5	Disclosure Requirement - Risk management and internal controls over sustainability reporting
Disclosure Requirement SBM-1	Disclosure Requirement - Market position, strategy, business model(s) and value chain
Disclosure Requirement SBM-2	Disclosure Requirement - Interests and views of stakeholders
Disclosure Requirement SBM-3	Disclosure Requirement - Material impacts, risks and opportunities and their interaction with strategy and business model(s)
Disclosure Requirements IRO 1	Disclosure Requirement - Description of the processes to identify and assess material impacts, risks and opportunities
Disclosure Requirements IRO 2	Disclosure Requirements in ESRS covered by the undertaking's sustainability statements
DNSH	Do No Significant Harm
DR	Disclosure Requirements
EBA	European Banking Authority
EC	European Commission
EEA	European Environmental Area
EEA	European Economic Area
EFRAG	European Financial Reporting Advisory Group
EFRAG SRB	European Financial Reporting Advisory Group Sustainability Reporting Board
EIA	Environmental Impact Assessment
EMAS	Eco-Management and Audit Scheme
ENCORE	Exploring Natural Capital Opportunities, Risks and Exposure
EPC	Energy Performance Certificate
E-PRTR	European Pollutant Release and Transfer Register
ESA	European Supervisory Authorities
ESMA	European Securities and Markets Authority
ESRS	European Sustainability Reporting Standards
ESRS 1	European Sustainability Reporting Standard 1 General requirements
ESRS 2	European Sustainability Reporting Standard 2 General disclosures
ESRS E1	European Sustainability Reporting Standard E1 Climate change
ESRS E2	European Sustainability Reporting Standard E2 Pollution

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ESRS E3	European Sustainability Reporting Standard E3 Water and marine resources
ESRS E4	European Sustainability Reporting Standard E4 Biodiversity and ecosystems
ESRS E5	European Sustainability Reporting Standard E5 Resource use and circular economy
ESRS G1	European Sustainability Reporting Standard G1 Business conduct
ESRS S1	European Sustainability Reporting Standard S1 Own workforce
ESRS S2	European Sustainability Reporting Standard S2 Workers in the value chain
ESRS S3	European Sustainability Reporting Standard S3 Affected communities
ESRS S4	European Sustainability Reporting Standard S4 Consumers & end-users
EU	European Union
EU ETS	European Union Emissions Trading System
EWC	European Works Council
FPIC	Free, Prior and Informed Consent
FTE	Full-time equivalent
GAAP	Generally Accepted Accounting Principles
GHG	Greenhouse Gas
GJ	Giga-Joules
GRI	Global Reporting Initiative
GWP	Global Warming Potential
HFCs	Hydrofluorocarbons
HM	Heavy Metals
IBAT	Integrated Biodiversity Assessment Tool
IED	Industrial Emissions Directive
IFC	International Finance Corporation
IFRS	International Financial Reporting Standards
IIASA	International Institute for Applied Systems Analysis
ILO	International Labour Organisation
IPBES	Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services
IPCC	Intergovernmental Panel on Climate Change
ISEAL	International Social and Environmental Accreditation and Labeling
ISO	International Organization for Standardization
ISSB	International Sustainability Standards Board
ITS	Implementing Technical Standards
IUCN	International Union for Conservation of Nature
KBA	Key Biodiversity Areas
Kg	Kilogram
lb	pounds

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LEAP	Locate Evaluate Assess Prepare
LGBTQI	Lesbian, Gay, Bisexual, Transgender, Queer, Intersex
MWh	Mega-Watt-hours
N ₂ O	Nitrous Oxide
NACE	Statistical Classification of Economic Activities in the European Community
NF ₃	Nitrogen trifluoride
NGOs	Non-Governmental Organisations
NH ₃	Ammonia
NMVO	Non-methane volatile organic compounds
NO _x	Nitrogen oxides
NUTS	Nomenclature of Territorial Units of Statistics
O ₃	Ozone
ODS	Ozone-depleting substance
OECD	Organisation for Economic Co-operation and Development
OECD	Organisation for Economic Co-operation and Development
OECD	Organisation for Economic Co-operation and Development
OpEx	Operating Expenditure
PBTs	Persistent, bioaccumulative and toxic substances
PCAF	Partnership for Carbon Accounting Financial
PCFs	Perfluorocarbons
PM	Particulate Matter
PMTs	Persistent, Mobile and Toxic Substances
POPs	Persistent organic pollutants
REACH	Registration, Evaluation, Authorisation and Restriction of Chemicals
SBTi	Science Based Targets Initiative
SBTN	Science Based Targets Network
SCE	Societas Cooperativa Europaea
SDA	Sectoral Decarbonisation Approach
SDGs	Sustainable Development Goals
SDPI	Sustainable Development Performance Indicator
SE	Societas Europaea
SEEA	System of Environmental-Economic Accounting
SEEA EA	System of Environmental-Economic Accounting Ecosystem Accounting
SFDR	Sustainable Finance Disclosures Regulation
SO _x	Sulphur oxides
SVHCs	Substances of Very High Concern
TCFD	Task Force on Climate-Related Financial Disclosures
TNFD	Taskforce on Nature-related Financial Disclosures
UN	United Nations
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
vPvBs	Very persistent and very bioaccumulative substances
vPvMs	Very persistent and very mobile substances
WDPA	World Database of Protected Areas

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WRI	World Resources Institute
WWF	World-Wide Fund for Nature

Table 2 – Defined terms as per Appendix A of [draft] ESRS

Defined term	Definition	[draft] ESRS
[No net loss or net gain]	[A target for a development project in which the impacts on biodiversity caused by the project are balanced or outweighed by measures taken to avoid and minimise the project's impacts, to undertake on-site restoration and finally to offset the residual impacts, so that no loss remains. Where the gain exceeds the loss, the term 'Net Gain' (NG) may be used instead of No Net Loss.]	ESRS E4 Biodiversity and ecosystems
Actions	Actions refer to (i) actions and action plans (including transition plans) that are undertaken to ensure that the undertaking delivers against targets set and through which the undertaking seeks to address material impacts, risks and opportunities; and (ii) decisions to support these with financial, human or technological resources.	ESRS 1 General requirements
Actors in the value chain	Actors in the value chain are individuals or entities in the upstream or downstream value chain. The entity is considered downstream from the undertaking (e.g., distributors, customers) when it receives products or services from the undertaking; it is considered upstream from the undertaking (e.g., suppliers) when it provides products or services that are used in the development of the undertaking's own products or services.	ESRS 1 General requirements
Adequate wage	A wage that provides for the satisfaction of the needs of the worker and his / her family in the light of national economic and social conditions.	ESRS S1 Own workforce
Administrative, management and supervisory bodies	The governance bodies with the highest decision-making authority in the undertaking including its committees. If there are no administrative, management or supervisory body of the undertaking, the CEO, and if such function exists, the deputy CEO, should be included. In some jurisdictions, governance systems consist of two tiers, where supervision and management are separated. In such cases, both tiers are included under the definition of administrative, management and supervisory bodies.	ESRS 2 General disclosures
Affected communities	People or group(s) living or working in the same area that has been or may be affected by a reporting undertaking's operations or through its value chain. Affected communities can range from those living adjacent to the undertaking's operations (local communities) to those living at a distance. Affected communities include actually and potentially affected indigenous peoples.	ESRS S3 Affected communities
Air pollutants	Direct emissions of sulphur dioxides (SO ₂), nitrogen oxides (NO _x), non-methane volatile organic compounds (NMVOC), and fine particulate matter (PM _{2,5}) as defined in Article 3, points (5) to (8), of Directive (EU) 2016/2284 of the European Parliament and of the Council(15), ammonia (NH ₃) as referred to in that Directive and heavy metals (HM) as referred to in Annex I to that Directive.	ESRS E2 Pollution
Annual total compensation	Annual total compensation includes salary, bonus, stock awards, option awards, non-equity incentive plan compensation, change in pension value, and nonqualified deferred compensation earnings provided over the course of a year.	ESRS S1 Own workforce
Area at water risk	Areas at risk cover several physical aspects related to water including water availability, quality, quantity (including areas at high water-stress), accessibility of water, regulatory or reputational issues (including the shared use of water with	ESRS E3 Water and marine resources

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Defined term	Definition	[draft] ESRS
	communities and affordability of water) for its facilities and for the facilities of key suppliers .	
Area of high water stress	Regions where the percentage of total water withdrawn is high (40-80%) or extremely high (greater than 80%) in the World Resources Institute's (WRI) Water Risk Atlas tool Aqueduct. See also water scarcity	ESRS E3 Water and marine resources
Article	An object which during production is given a special shape, surface or design which determines its function to a greater degree than its chemical composition. (REACH Regulation Article 3 (3))	ESRS E2 Pollution
Associated process materials	Materials that are needed for the manufacturing process but are not part of the final product, such as lubricants for manufacturing machinery.	ESRS E5 Resource use and circular economy
Avoidance	Measures taken to prevent impacts from occurring in the first place, for instance by changing or adjusting the development project's location and/or the scope, nature and timing of its activities.	ESRS E4 Biodiversity and ecosystems
BAT Conclusions	A document containing the parts of a BAT reference document laying down the conclusions on best available techniques, their description, information to assess their applicability, the emission levels associated with the best available techniques, associated monitoring, associated consumption levels and, where appropriate, relevant site remediation measures ¹ .	ESRS E2 Pollution
BAT-AEL	'Best Available Technique-Associated Emission Level means the range of emission levels obtained under normal operating conditions using a best available technique or a combination of best available techniques, as described in BAT conclusions, expressed as an average over a given period of time, under specified reference conditions., i.e. the emission level that is associated with a BAT.	ESRS E2 Pollution
BAT-AEPL	Best Available Technique-Associated Environmental Performance Level. For each individual BAT, a BAT-AEPL can be indicated. A BAT-AEPL is an environmental performance levels associated with the best available techniques'. It means the range of emission levels obtained under normal operating conditions using a best available technique or a combination of best available techniques, as described in BAT conclusions, expressed as an average over a given period of time, under specified reference conditions ² .	ESRS E2 Pollution
Best Available Techniques (BAT)	According to Article 3 point 10 of Directive 2010/75/EU "Best Available Techniques (BAT)" means the most effective and advanced stage in the development of activities and their methods of operation which indicates the practical suitability of particular techniques for providing the basis for emission limit values and other permit conditions designed to prevent and, where that is not practicable, to reduce emissions and the impact on the environment as a whole: <ul style="list-style-type: none"> i. "techniques" includes both the technology used and the way in which the installation is designed, built, maintained, operated and decommissioned; ii. "available techniques" means those developed on a scale which allows implementation in the relevant industrial sector, under economically and technically viable conditions, taking into consideration the costs 	ESRS E2 Pollution

¹ Source: Industrial Emissions Directive (IED), Article 3

² Source: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32012D0119&from=EN>

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Defined term	Definition	[draft] ESRS
	and advantages, whether or not the techniques are used or produced inside the Member State in question, as long as they are reasonably accessible to the operator; and iii. “best” means most effective in achieving a high general level of protection of the environment as a whole.	
Biodiversity access and benefit-sharing	Access and benefit-sharing refers to the way in which genetic resources may be accessed, and how the benefits that result from their use are shared between the people or countries using the resources (users) and the people or countries that provide them (providers).	ESRS E4 Biodiversity and ecosystems
Biodiversity loss	The reduction of any aspect of biological diversity (i.e., diversity at the genetic, species and ecosystem levels) is lost in a particular area through death (including extinction), destruction or manual removal; it can refer to many scales, from global extinctions to population extinctions, resulting in decreased total diversity at the same scale.	ESRS E4 Biodiversity and ecosystems
Biodiversity or biological diversity	The variability among living organisms from all sources including terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are a part. This includes variation in genetic, phenotypic, phylogenetic, and functional attributes, as well as changes in abundance and distribution over time and space within and among species, biological communities and ecosystems.	ESRS E4 Biodiversity and ecosystems
Biodiversity-sensitive area	Natura 2000 network of protected areas, UNESCO World Heritage sites and Key Biodiversity Areas (‘KBAs’), as well as other protected areas, as referred to in Appendix D of Annex II to Commission Delegated Regulation (EU) 2021/2139	ESRS E4 Biodiversity and ecosystems
Biosphere or ecological integrity	Integrity refers to an unimpaired condition, a state of being complete or undivided. Biological integrity has been defined as “[t]he ability to support and maintain a balanced, integrated adaptive assemblage of organisms having species composition, diversity, and functional organisation comparable to that of natural habitat of the region”.	ESRS E4 Biodiversity and ecosystems
Blue economy	All the sources of financial and non-financial value that humanity derives from marine environments. It includes all economic activities related to oceans, seas and coasts.	ESRS E3 Water and marine resources
BREF or EU Best available techniques reference documents	A document, drawn up for defined activities and describing, in particular, applied techniques, present emissions and consumption levels, techniques considered for determining the best available techniques as well as BAT conclusions and any emerging techniques ³ .	ESRS E2 Pollution
Bribery	Dishonestly persuading someone to act in your favour by giving them a gift of money or another inducement.	ESRS G1 Business conduct
Business as usual	In the context of this [draft] Standard, business as usual is to be understood as a scenario where the undertaking does not take significant actions to shift away its business model from a linear economy, i.e. an economy in which finite resources are extracted to make products that are used - generally not to their full potential - and then thrown away (‘take-make-waste’), leading to waste, pollution, and the degradation of natural systems.	ESRS E5 Resource use and circular economy
Business model	The undertaking’s system of transforming inputs through its business activities into outputs and outcomes that aims to fulfil the undertaking’s strategic purposes and create value over the	ESRS 2 General disclosures

³ Source: Industrial Emissions Directive (IED), Article 3

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Defined term	Definition	[draft] ESRS
	short-, medium- and long-term time horizons. The undertaking may have one or more business models.	
Business relationships	The relationships the undertaking has with business partners, entities in its value chain, and any other non-State or State entity directly linked to its business operations, products or services. Business relationships are not limited to direct contractual relationships. They include indirect business relationships in the undertaking's value chain beyond the first tier, and shareholding positions in joint ventures or investments.	ESRS 1 General requirements
By-product	A substance or object resulting from a production process the primary aim of which is not the production of that substance or object is considered not to be waste, but to be a by-product if the following conditions are met: (a) further use of the substance or object is certain; (b) the substance or object can be used directly without any further processing other than normal industrial practice; (c) the substance or object is produced as an integral part of a production process; and (d) further use is lawful, i.e., the substance or object fulfils all relevant product, environmental and health protection requirements for the specific use and will not lead to overall adverse environmental or human health impacts.	ESRS E5 Resource use and circular economy
Carbon credit	A carbon credit is a convertible and transferable instrument representing GHG emissions that have been reduced, avoided or removed through projects that are verified according to recognised quality standards. Carbon credits can be issued from projects within (sometimes referred to as insets) or outside an undertaking's value chain (sometimes referred to as offsets).	ESRS E1 Climate change
Carbon dioxide (CO₂) equivalent (eq)	The amount of carbon dioxide (CO ₂) emission that would cause the same integrated radiative forcing or temperature change, over a given time horizon, as an emitted amount of a greenhouse gas (GHG) or a mixture of GHGs. CO ₂ eq is the universal unit of measurement to indicate the global warming potential (GWP) of each greenhouse gas, expressed in terms of the GWP of one unit of carbon dioxide. It is used to evaluate releasing (or avoiding releasing) different greenhouse gases on a common basis.	ESRS E1 Climate change
Child labour	Work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development. It refers to work that: i. is mentally, physically, socially or morally dangerous and harmful to children; and/or ii. interferes with their schooling by: depriving them of the opportunity to attend school; obliging them to leave school prematurely; or requiring them to attempt to combine school attendance with excessively long and heavy work. For the purpose of this definition, a child refers to a person under the age of 15 years, or under the age of completion of compulsory schooling, whichever is higher. Exceptions can occur in certain countries where economies and educational facilities are insufficiently developed, and a minimum age of 14 years applies. These countries of exception are specified by the International Labour Organisation (ILO) in response to a special application by the country concerned and in	ESRS S1 Own workforce

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Defined term	Definition	[draft] ESRS
	consultation with representative organisations of employers and workers.	
Circular economy	An economic system whereby the value of products, materials and other resources in the economy is maintained for as long as possible, enhancing their efficient use in production and consumption, thereby reducing the environmental impact of their use, minimising waste and the release of hazardous substances at all stages of their life cycle, including through the application of the waste hierarchy.	ESRS E5 Resource use and circular economy
Circular economy principles	The circular economy is based on three principles, driven by design: (i) eliminate waste and pollution; (ii) circulate products and materials at their highest value; and (iii) regenerate nature.	ESRS E5 Resource use and circular economy
Circular material use rate	Recirculation of materials, components and products in practice after first use employing the following strategies (in order of preference): (i) maintenance/prolonged use; (ii) reuse/redistribution; (iii) refurbishment/remanufacturing; (iv) recycling, composting, or anaerobic digestion. The use rate is defined as the ratio of circular use of materials to overall use of materials.	ESRS E5 Resource use and circular economy
Climate change adaptation	Climate change adaptation means the process of adjustment to actual and expected climate change and its impacts. (based on the Regulation (EU) 2020/852)	ESRS E1 Climate change
Climate change mitigation	Climate change mitigation means the process of reducing GHG emissions and holding the increase in the global average temperature to well below 2 °C and pursuing efforts to limit it to 1,5 °C above pre-industrial levels, as laid down in the Paris Agreement. (based on the Regulation (EU) 2020/852)	ESRS E1 Climate change
Climate resilience	The capacity of an entity to adjust to uncertainty related to climate change. This involves the capacity to manage climate-related risks and benefits from climate-related opportunities, including the ability to respond and adapt to transition risks and physical risks.	ESRS E1 Climate change
Climate-related opportunity	Climate-related opportunities refer to the potential positive effects related to climate change on the undertaking. Efforts to mitigate and adapt to climate change can produce opportunities for undertakings, such as through resource efficiency and cost savings, the adoption and utilisation of low-emissions energy sources, the development of new products and services, and building resilience along the supply chain. Climate-related opportunities will vary depending on the region, market, and industry where an undertaking operates.	ESRS E1 Climate change
Climate-related physical risk (Physical risk from climate change)	Climate-related physical risks are risks that arise from the physical effects of climate change. They typically include acute physical risks, which arise from particular hazards, especially weather-related events such as storms, floods, fires or heatwaves, and chronic physical risks, which arise from longer-term changes in the climate, such as temperature changes, rising sea levels, reduced water availability, biodiversity loss and changes in land and soil productivity.	ESRS E1 Climate change
Climate-related transition risk	Climate-related transition risks are risks that arise from the transition to a low-carbon and climate-resilient economy. They typically include policy risks, legal risks, technology risks,	ESRS E1 Climate change

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Defined term	Definition	[draft] ESRS
	market risks and reputational risks and can arise from related transition events.	
Collective bargaining	All negotiations which take place between an employer, a group of employers or one or more employers' organisations, on the one hand, and one or more trade unions or, in their absence, the representatives of the workers duly elected and authorised by them in accordance with national laws and regulations, on the other, for: <ul style="list-style-type: none"> (i) determining working conditions and terms of employment; and/or (ii) regulating relations between employers and workers; and/or (iii) regulating relations between employers or their organisations and a workers' organisation or workers' organisations. 	ESRS S1 Own workforce
Confirmed incident (child or forced labour or human trafficking)	Incident of child or forced labour or human trafficking that has been found to be substantiated. Confirmed incidents do not include incidents of child or forced labour or human trafficking that are still under investigation in the reporting period.	ESRS S1 Own workforce
Confirmed incident of corruption or bribery	An incident of corruption or bribery that has been found to be substantiated. Confirmed incidents of corruption do not include incidents of corruption that are still under investigation at the end of the reporting period. The determination of potential non-compliance cases as substantiated may be made either by the undertaking's compliance officer or similar function or an authority. A determination as substantiated by a court of law is not required.	ESRS G1 Business conduct
Consumer	Individuals who acquire, consume or use goods and services for personal use, either for themselves or for others, and not for resale or commercial purposes. Consumers include actually and potentially affected end-users.	ESRS S4 Consumers and end-users
Corporate culture	Corporate culture expresses goals through values and beliefs. It guides the undertaking's activities through shared assumptions and group norms such as values or mission statements or a code of conduct.	ESRS G1 Business conduct
Corruption	Abuse of entrusted power for private gain, which can be instigated by individuals or organisations. It includes practices such as facilitation payments, fraud, extortion, collusion, and money laundering. It also includes an offer or receipt of any gift, loan, fee, reward, or other advantage to or from any person as an inducement to do something that is dishonest, illegal, or a breach of trust in the conduct of the undertaking's business. This can include cash or in-kind benefits, such as free goods, gifts, and holidays, or special personal services provided for the purpose of an improper advantage, or that can result in moral pressure to receive such an advantage.	ESRS G1 Business conduct
Credible proxies	Individuals with sufficiently deep experience in engaging with affected stakeholders from a particular region or context (for example, women workers on farms, indigenous peoples or migrant workers) who can help to effectively convey their likely concerns. In practice, this can include development and human rights NGOs, international trade unions and local civil society, including faith-based organisations.	ESRS S2 Workers in the value chain
Decarbonisation levers	Aggregated types of mitigation actions such as energy efficiency, electrification, fuel switching, use of renewable energy, products change, and supply-chain decarbonisation that fit with undertakings' specific actions.	ESRS E1 Climate Change

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Defined term	Definition	[draft] ESRS
Deforestation	Temporary or permanent human-induced conversion of forested land to non-forested land. (Annex I point 21 of COMMISSION DELEGATED REGULATION (EU) 2022/1288 of 6 April 2022 supplementing Regulation (EU) 2019/2088)	ESRS E4 Biodiversity and ecosystems
Degradation or degraded ecosystem	Degradation refers to chronic human impacts resulting in the loss of biodiversity and the disruption of an ecosystem's structure, composition, and functionality.	ESRS E4 Biodiversity and ecosystems
Dependencies	Dependency is the result of the undertaking relying on biodiversity and/or ecosystems within its business model and/or conduct of business. A prominent and scientifically well-established approach to assess, monitor and value biodiversity and ecosystem dependencies is by assessing the undertakings dependence on ecosystem services.	ESRS E4 Biodiversity and ecosystems
Deposit	An amount of a substance that has accumulated in the environment, either in water or in soil, and either as a consequence of regular activities or from incidents or from disposals of undertakings, independent of whether that accumulation occurs at the production site of an undertaking or outside.	ESRS E2 Pollution
Desertification	Desertification means land degradation in arid, semi-arid and dry sub-humid areas resulting from various factors, including climatic variations and human activities. Desertification does not refer to the natural expansion of existing deserts.	ESRS E4 Biodiversity and ecosystems
Development (personal and career development)	For the aim of this Standard, development is defined as those initiatives put in place by the undertaking aimed at personal and career advancement of its workers.	ESRS S1 Own workforce
Direct GHG emissions (Scope 1)	GHG emissions from sources owned or controlled by the undertaking.	ESRS E1 Climate change
Discharge	1) Wastewater discharge means the amount of water (in m ³) or substance (in kg BOD/d or comparable) added / leached to a water body from a point or a non-point source. (2) Sewage effluent (or discharge) means treated sewage discharged from a sewage treatment plant.	ESRS E3 Water and marine resources
Disclosure Content	A Disclosure Content sets the required content of the information that the undertaking includes when it reports on policies, actions or targets, either pursuant to a Disclosure Requirement in an [draft] ESRS or on an entity-specific basis.	ESRS 1 General requirements
Discrimination	Discrimination can occur directly or indirectly - Direct discrimination will have occurred when an individual is treated less favourably by comparison to how others, who are in a similar situation, have been or would be treated, and the reason for this is a particular characteristic they hold, which falls under a 'protected ground'. Indirect discrimination occurs when an apparently neutral rule disadvantages a person or a group sharing the same characteristics. It must be shown that a group is disadvantaged by a decision when compared to a comparator group.	ESRS S1 Own workforce
Double materiality	Double materiality has two dimensions: impact materiality and financial materiality. A sustainability matter meets the criterion of double materiality if it is material from the impact perspective or the financial perspective or both.	ESRS 1 General requirements
Durability	The ability of a product, component or material to remain functional and relevant when used as intended.	ESRS E5 Resource use and circular economy
Ecological (or socio-ecological)	The point at which a relatively small change in external conditions causes a rapid change in an ecosystem. When an	ESRS E2 Pollution

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Defined term	Definition	[draft] ESRS
threshold (or breakpoint)	ecological threshold has been passed, the ecosystem may no longer be able to return to its state by means of its inherent resilience.	
Ecological condition	Refers to the quality of an ecosystem measured in terms of its abiotic and biotic characteristics.	ESRS E4 Biodiversity and ecosystems
Ecosystem conversion	Situations in which, for a given location, there is a change in ecosystem type involving a distinct and persistent change in ecological structure, composition and function which, in turn, is reflected in the supply of a different set of ecosystem services.	ESRS E4 Biodiversity and ecosystems
Ecosystem extent	Refers to the size of an ecosystem asset, whereas an ecosystem asset is the contiguous space of a specific ecosystem type characterised by a distinct set of biotic and abiotic components and their interactions.	ESRS E4 Biodiversity and ecosystems
Ecosystem restoration	Any intentional activities that initiate or accelerate the recovery of an ecosystem from a degraded state.	ESRS E4 Biodiversity and ecosystems
Ecosystem services	Refers to the contributions of ecosystems to the benefits that are used in economic and other human activity, respectively the benefits people obtain from ecosystems. In the Millennium Ecosystem Assessment, ecosystem services can be divided into supporting, regulating, provisioning and cultural. The Common International Classification of Ecosystem Services (CICES) classifies types of ecosystems services.	ESRS E4 Biodiversity and ecosystems
Ecosystem(s)	A dynamic complex of plant, animal and micro-organism communities and their non-living environment interacting as a functional unit. A typology of ecosystems is provided by the IUCN Global Ecosystem Typology 2.0.	ESRS E4 Biodiversity and ecosystems
Emission	The direct or indirect release of substances, vibrations, heat or noise from individual or diffuse sources [...] into air, water or soil ⁴ .	ESRS E2 Pollution
Emission reduction	Emissions reduction: decrease in Scope 1, 2, 3 or total GHG emissions at the end of the reporting period, relative to baseline emissions; Emission reductions may result from, among others, energy efficiency, electrification, suppliers' decarbonisation, electricity mix decarbonisation, sustainable products development or changes in reporting boundaries or activities (e.g. outsourcing, reduced capacities.), provided they are achieved within the undertaking's own operation and value chain; removals and avoided emissions are not counted as emission reductions.	ESRS E1 Climate change
Emissions to water	'Direct emissions of priority substances, as defined by Annex I to Directive 2013/39/EU, that replaces Annex X of the Directive 2000/60/EC of the European Parliament and of the Council, and direct emissions of nitrates, phosphates and pesticides (plant protection products and biocides).	ESRS E2 Pollution
Employee	An employee is an individual who is in an employment relationship with the undertaking according to national law or practice.	ESRS S1 Own workforce
End-users	Individuals who ultimately use or are intended to ultimately use a particular product or service.	ESRS S4 Consumers and end-users

⁴ Directive 2010/75/EU of the European Parliament and of the Council of 24 November 2010 on Industrial Emissions (integrated pollution prevention and control), at Article 3(4)

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Defined term	Definition	[draft] ESRS
Equal opportunities	Equal opportunities refer to an equal and non-discriminatory access to, among individuals, of opportunities for education, training, employment, career development and the exercise of power without their being disadvantaged on the basis of criteria such as gender, racial or ethnic origin, nationality, religion or belief, disability, age or sexual orientation.	ESRS S1 Own workforce
Equal treatment	The principle of equal treatment is a general principle of European law which presupposes that comparable situations or parties in comparable situations are treated in the same way. There shall be no direct or indirect discrimination based on criteria such as gender, racial or ethnic origin, nationality, religion or belief, disability, age or sexual orientation. In the context of the present standard, own workforce has the same rights to receive the same treatment and not to be discriminated either directly or indirectly against on the basis of protected grounds such as gender, racial or ethnic origin, nationality, religion or belief, disability, age or sexual orientation.	ESRS S1 Own workforce
Financial effects	A sustainability matter triggers financial effects on the undertaking when it generates risks or opportunities that have an influence (or are likely to have an influence) on the undertaking's cash flows, performance, position, development, cost of capital or access to finance in the short, medium- and long-term time horizons.	ESRS 1 General requirements
Financial materiality	A sustainability matter is material from a financial perspective if it triggers or may trigger material financial effects on the undertaking.	ESRS 1 General requirements
Forced labour	All work or service which is exacted from any person under the threat of penalty and for which the person has not offered himself or herself voluntarily. The term encompasses all situations in which persons are coerced by any means to perform work and includes both traditional 'slave-like' practices and contemporary forms of coercion where labour exploitation is involved, which may include human trafficking and modern slavery.	ESRS S1 Own workforce
Fossil Fuel	Fossil fuel means non-renewable carbon-based energy sources such as solid fuels, natural gas and oil.	ESRS 2 General disclosures
Free, Prior and Informed Consent	Free, Prior and Informed Consent (FPIC) is a manifestation of indigenous peoples' right to self-determine their political, social, economic and cultural priorities. It constitutes three interrelated and cumulative rights of indigenous peoples: the right to be consulted; the right to participate; and the right to their lands, territories and resources. .	ESRS S3 Affected communities
Freshwater	It includes: surface water, including rainwater, water from wetlands, rivers and lakes. Water that is naturally occurring water on the Earth's surface in ice sheets, ice caps, glaciers, icebergs, bogs, ponds, lakes, rivers and streams, and has a low concentration of dissolved solids. This surface water source includes water of a quality generally acceptable for, or requiring minimal treatment to be acceptable for, domestic, municipal or agricultural uses (at least <10,000 mg/l TDS, though a range of additional quality properties may also be considered). 'High quality' fresh water sources considered acceptable for potable use are typically characterised as having concentrations of dissolved solids less than 1,000 mg/l.	ESRS E3 Water and marine resources
GHG removal and storage	(Anthropogenic) Removals refer to the withdrawal of GHGs from the atmosphere as a result of deliberate human activities. These include enhancing biological sinks of CO ₂ and using	ESRS E1 Climate change

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Defined term	Definition	[draft] ESRS
	chemical engineering to achieve long-term removal and storage. Carbon capture and storage (CCS) from industrial and energy-related sources, which alone does not remove CO ₂ in the atmosphere, can reduce atmospheric CO ₂ if it is combined with bioenergy production (BECCS). Removals can be subject to reversals, which are any movement of stored GHG out of the intended storage that re-enters the surface and atmosphere. For example, if a forest that was grown to remove a specific amount of CO ₂ is subject to a wildfire, the emissions captured in the trees are reversed.	
Global warming potential (GWP)	Global warming potential (GWP) is a factor describing the radiative forcing impact (degree of harm to the atmosphere) of one unit of a given GHG relative to one unit of CO ₂ .	ESRS E1 Climate change
Governance	The system by which the undertaking is directed and controlled in the interests of shareholders and other stakeholders. Governance involves a set of relationships between the undertaking's management, its board, its shareholders, and other stakeholders. Governance provides the structure and processes through which the objectives of the undertaking are set, progress against performance is monitored, and results are evaluated. The term 'governance bodies' refers to the administrative, management and supervisory bodies with the highest decision-making authority in the undertaking.	ESRS 2 General disclosures
Greenhouse Gases (GHG)	Greenhouse Gases (GHG) are those gaseous constituents of the atmosphere, both natural and anthropogenic, that absorb and emit radiation at specific wavelengths within the spectrum of terrestrial radiation emitted by the Earth's surface, the atmosphere itself and by clouds. This property causes the greenhouse effect. Water vapour (H ₂ O), carbon dioxide (CO ₂), nitrous oxide (N ₂ O), methane (CH ₄) and ozone (O ₃) are the primary GHGs in the Earth's atmosphere. Moreover, there are a number of entirely human-made GHGs in the atmosphere, such as the halocarbons and other chlorine- and bromine-containing substances, dealt with under the Montreal Protocol. Besides CO ₂ , N ₂ O and CH ₄ , the Kyoto Protocol deals with the GHGs sulphur hexafluoride (SF ₆), hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs).	ESRS E1 Climate change
Grievance mechanisms	Grievance mechanisms refer to any routinized, state-based or non-state-based, judicial or non-judicial processes through which stakeholders can raise grievances and seek remedy. Examples of state-based judicial and non-judicial grievance mechanisms include courts, labour tribunals, national human rights institutions, National Contact Points under the OECD Guidelines for Multinational Enterprises, ombudsperson offices, consumer protection agencies, regulatory oversight bodies, and government-run complaints offices. Non-state-based grievance mechanisms include those administered by the organisation, either alone or together with stakeholders, such as operational-level grievance mechanisms and collective bargaining, including the mechanisms established by collective bargaining. They also include mechanisms administered by industry associations, international organisations, civil society organisations, or multi-stakeholder groups. Operational-level grievance mechanisms are administered by the organisation either alone or in collaboration with other parties and are directly accessible by the organisation's stakeholders. They allow for grievances to be identified and	ESRS S1 Own workforce

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Defined term	Definition	[draft] ESRS
	addressed early and directly, thereby preventing both harm and grievances from escalating. They also provide important feedback on the effectiveness of the organisation's due diligence from those who are directly affected. According to UN Guiding Principle 31, effective grievance mechanisms are legitimate, accessible, predictable, equitable, transparent, rights-compatible, and a source of continuous learning. In addition to these criteria, effective operational-level grievance mechanisms are also based on engagement and dialogue. It can be more difficult for the organisation to assess the effectiveness of grievance mechanisms that it participates in compared to those it has established itself.	
Groundwater (renewable and non-renewable)	All water which is below the surface of the ground in the saturation zone and in direct contact with the ground or subsoil ⁵ .	ESRS E3 Water and marine resources
Habitat	The place or type of site where an organism or population naturally occurs. Also used to mean the environmental attributes required by a particular species or its ecological niche.	ESRS E4 Biodiversity and ecosystems
Habitat fragmentation	A general term describing the set of processes by which habitat loss results in the division of continuous habitats into a greater number of smaller patches of lesser total and isolated from each other by a matrix of dissimilar habitats. Habitat fragmentation may occur through natural processes (e.g., forest and grassland fires, flooding) and through human activities (forestry, agriculture, urbanisation).	ESRS E4 Biodiversity and ecosystems
Harassment	Harassment is defined as a course of comments or actions that are unwelcome or should reasonably be known to be unwelcome, to the person towards whom they are addressed. Harassment occurs when one or more employees are deliberately abused, threatened and/or humiliated in circumstances relating to work. Harassment may be carried out by one or more employees, with the purpose or effect of violating the employees' dignity, affecting [their] health and/or creating a hostile work environment.	ESRS S1 Own workforce
Hazardous/non hazardous waste	Hazardous (non-hazardous) waste means waste which displays one or more of the hazardous properties listed in Annex III of the Waste framework directive.	ESRS E5 Resource use and circular economy
High climate impact sectors	High climate impact sectors are those listed in NACE Sections A to H and Section L (as defined in the Regulation (EU) 2019/2088 and Annex 1 of the related Delegated Regulation with regard to disclosure rules on sustainable investments)	ESRS E1 Climate Change
Impact drivers	All the factors that cause changes in nature, anthropogenic assets, nature's contributions to people and a good quality of life. Direct drivers of change can be both natural and anthropogenic; they have direct physical (mechanical, chemical, noise, light etc.) and behaviour-affecting impacts on nature. They include, inter alia, climate change, pollution, different types of land use change, invasive alien species and zoonoses, and exploitation. Indirect impact drivers operate diffusely by altering and influencing direct drivers (by affecting their level, direction or rate) as well as other indirect drivers. Interactions between indirect and direct drivers create different chains of relationship, attribution, and impacts, which may vary	ESRS E4 Biodiversity and ecosystems

⁵ See art. 2 (20) of the Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088

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Defined term	Definition	[draft] ESRS
	according to type, intensity, duration, and distance. These relationships can also lead to different types of spill-over effects. Global indirect drivers include economic, demographic, governance, technological and cultural ones. Special attention is given, among indirect drivers, to the role of institutions (both formal and informal) and impacts of the patterns of production, supply and consumption on nature, nature's contributions to people and good quality of life.	
Impact materiality	A sustainability matter is material from an impact perspective when it pertains to the undertaking's material actual or potential, positive or negative impacts on people or the environment over the short-, medium- and long-term time horizons. A material sustainability matter from an impact perspective includes impacts caused or contributed to by the undertaking and impacts which are directly linked to the undertaking's operations, products, and services through its business relationships.	ESRS 1 General requirements
Incident	A legal action or complaint registered with the undertaking or competent authorities through a formal process, or an instance of non-compliance identified by the undertaking through established procedures. Established procedures to identify instances of non-compliance can include management system audits, formal monitoring programs, or grievance mechanisms.	ESRS S1 Own workforce
Incineration with (without) energy recovery	Incineration is the controlled burning of waste at high temperature. It is with energy recovery when the energy created in the combustion process is harnessed for re-use, for example for power generation. It is without energy recovery when the heat generated by combustion is dissipated in the environment.	ESRS E5 Resource use and circular economy
Indigenous peoples	Indigenous peoples are generally identified as (1) tribal peoples in independent countries whose social, cultural and economic conditions distinguish them from other sections of the national community, and whose status is regulated wholly or partially by their own customs or traditions or by special laws or regulations; (2) peoples in independent countries who are regarded as indigenous on account of their descent from the populations which inhabited the country, or a geographical region to which the country belongs, at the time of conquest or colonisation or the establishment of present state boundaries and who, irrespective of their legal status, retain some or all of their own social, economic, cultural and political institutions.	ESRS S3 Affected communities
Indirect GHG emissions (Scope 2)	Indirect GHG emissions are a consequence of the operations of the undertaking but occur at sources owned or controlled by another company. Scope 2 GHG emissions are indirect emissions from the generation of purchased or acquired electricity, steam, heat, or cooling consumed by the undertaking.	ESRS E1 Climate change
Indirect GHG emissions (Scope 3)	Indirect GHG emissions are a consequence of the operations of the undertaking but occur at sources owned or controlled by another company. Scope 3 GHG emissions are all indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions. Scope 3 GHG emissions are considered as estimated emissions in comparison with Scope 1 and 2 as their calculation is based on a combination of methods and primary and secondary data ranging from precise figures (supplier-	ESRS E1 Climate change

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Defined term	Definition	[draft] ESRS
	specific or sites-specific methods) to extrapolated figures (average-data or spend-based methods).	
Inorganic pollutants	Inorganic pollutants mean emissions within or lower than the emission levels associated with the best available techniques (BAT-AEL) as defined in Article 3, point (13) of Directive 2010/75/EU of the European Parliament and of the Council, for the Large Volume Inorganic Chemicals- Solids and Others industry.	ESRS E2 Pollution
Installation	A stationary technical unit within which one or more activities are carried out which could have an effect on emissions and pollution.	ESRS E2 Pollution
Internal carbon price	Internal carbon price is a price used by entities to assess the financial implications of changes to investment, production, and consumption patterns, as well as potential technological progress and future emissions abatement costs.	ESRS E1 Climate change
Internal carbon pricing scheme	An organisational arrangement that allows an undertaking to apply carbon prices in strategic and operational decision making. There are two types of internal carbon prices commonly used by undertakings. The first type is a shadow price, which is a theoretical cost or notional amount that the undertaking does not charge but that can be used in assessing the economic implications or trade-offs for such things as risk impacts, new investments, net present value of projects, and the cost-benefit of various initiatives. The second type is an internal tax or fee, which is a carbon price charged to a business activity, product line, or other business unit based on its GHG emissions (these internal taxes or fees are similar to intracompany transfer pricing).	ESRS E1 Climate change
Invasive or alien species	Species whose introduction and/or spread by human action outside their natural distribution threatens biological diversity, food security, and human health and well-being. ‘Alien’ refers to the species’ having been introduced outside its natural distribution (‘exotic’, ‘non-native’ and ‘non-indigenous’ are synonyms for ‘alien’). ‘Invasive’ means ‘tending to expand into and modify ecosystems to which it has been introduced’. Thus, a species may be alien without being invasive, or, in the case of a species native to a region, it may increase and become invasive, without actually being an alien species.	ESRS E4 Biodiversity and ecosystems
Key Biodiversity Area	Sites contributing significantly to the global persistence of biodiversity’, in terrestrial, freshwater and marine ecosystems. Sites qualify as global KBAs if they meet one or more of 11 criteria, clustered into five categories: threatened biodiversity; geographically restricted biodiversity; ecological integrity; biological processes; and, irreplaceability. The World Database of Key Biodiversity Areas is managed by BirdLife International on behalf of the KBA Partnership.	ESRS E4 Biodiversity and ecosystems
Land degradation	Refers to the many processes that drive the decline or loss in biodiversity, ecosystem functions or their benefits to people and includes the degradation of all terrestrial ecosystems.	ESRS E4 Biodiversity and ecosystems
Land use change uptakes and emissions	Carbon uptakes and emissions (CO ₂ , CO and CH ₄) originate from carbon stock changes caused by land use change and land use. This sub-category includes biogenic carbon exchanges from deforestation, road construction or other soil activities (including soil carbon emissions). For native forests, all related CO ₂ emissions are included and modelled under this sub-category (including connected soil emissions, and products derived from native forests and residues), while their CO ₂ uptake is excluded. (adapted from Recommendation (EU)	ESRS E1 Climate change

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Defined term	Definition	[draft] ESRS
	2021/2079 Publications Office (europa.eu) pages 66, 173, 263 et 368)	
Landfill	A waste disposal site for the deposit of the waste onto or into land ⁶ .	ESRS E5 Resource use and circular economy
Land-system (change)	Land systems are the terrestrial component of the Earth system, encompassing all processes and activities related to the human use of land. These include socio-economic, technological and organisational inputs and arrangements, as well as the benefits gained from land and the unintended social and ecological outcomes of societal activities. The land systems concept combines land use (the activities, arrangements and inputs associated with land use) with land cover (the ensemble of physical characteristics of land discernible by Earth Observation).	ESRS E4 Biodiversity and ecosystems
Land-use (change)	The human use of a specific area for a certain purpose (such as residential; agriculture; recreation; industrial, etc.). Influenced by, but not synonymous with, land cover. Land use change refers to a change in the use or management of land by humans, which may lead to a change in land cover.	ESRS E4 Biodiversity and ecosystems
Legitimate representatives	Individuals recognised as such under law or practice, such as elected trade union representatives in the case of workers, or other similarly freely chosen representatives of affected stakeholders.	ESRS S2 Workers in the value chain
Leverage	The ability of the undertaking to effect a change in the wrongful practices of another party that is causing or contributing to a negative human rights impact.	ESRS S2 Workers in the value chain
Lobbying activities	Refers to activities carried out with the objective of influencing the formulation or implementation of policy or legislation, or the decision-making processes of governments, governmental institutions, regulators, European Union institutions, bodies, offices and agencies or standard setters. Such activities include (non-exhaustive list): <ul style="list-style-type: none"> • organising or participating in meetings, conferences, events; • contributing to/participating in public consultations, hearings or other similar initiatives; • organising communication campaigns, platforms, networks, grassroots initiatives; • preparing/commissioning policy and position papers, opinion polls, surveys, open letters, research work as per the activities covered by transparency register rules. 	ESRS G1 Business conduct
Locked-in GHG emissions	Locked-in emissions are estimates of future GHG emissions that are likely to be caused by an undertaking's key assets or products sold within their operating lifetime.	ESRS E1 Climate change
Longevity	Designed for maintenance and durability in such a way that encourages longer use than the industry standard in practice and at scale and in such a way that does not compromise circular treatment at the end of functional life.	ESRS E5 Resource use and circular economy
Marine resources	Ocean-based resources, discharges and emissions to the environment which end up in the oceans, or activities located in maritime (naval matters) areas.	ESRS E3 Water and marine resources
Metrics	Qualitative and quantitative indicators that the undertaking uses to measure and report on the effectiveness of the delivery of its sustainability-related policies and against its targets over time. Metrics also support the measurement of the	ESRS 1 General requirements

⁶ See art. 2 (g) of the Directive 1999/31/EC of the European Parliament and of the Council of 26 April 1999.

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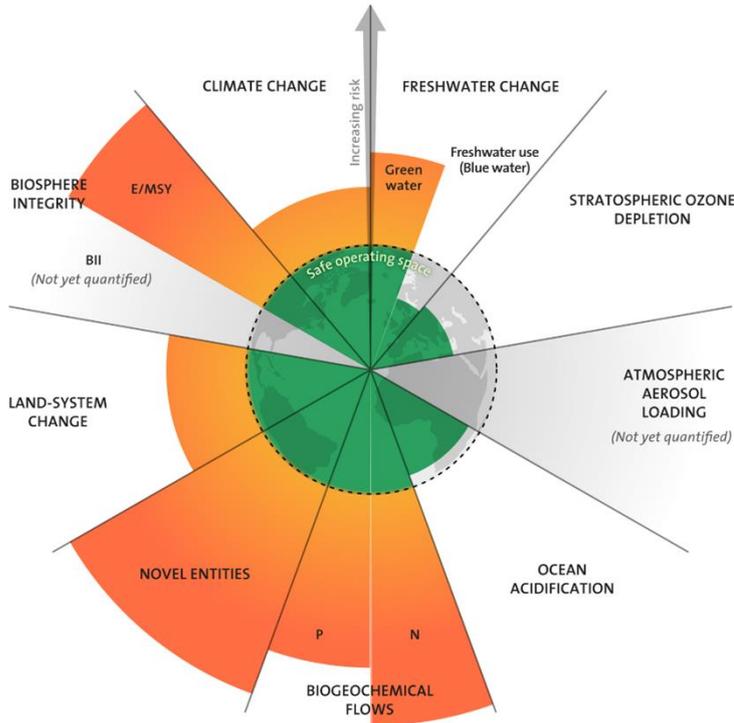
Defined term	Definition	[draft] ESRS
	undertaking's results in respect of affected people, the environment and the undertaking.	
Mitigation hierarchy	<p>The mitigation hierarchy comprises:</p> <p>a. Avoidance: measures taken to avoid creating impacts from the outset, such as careful spatial or temporal placement of elements of infrastructure, in order to completely avoid impacts on certain components of biodiversity. This results in a change to a “business as usual” approach.</p> <p>b. Minimisation: measures taken to reduce the duration, intensity and / or extent of impacts that cannot be completely avoided, as far as is practically feasible.</p> <p>c. Rehabilitation / restoration: measures taken to rehabilitate degraded ecosystems or restore cleared ecosystems following exposure to impacts that cannot be completely avoided and / or minimised.</p> <p>d. Compensation or Offset: measures taken to compensate for any residual significant, adverse impacts that cannot be avoided, minimised and / or rehabilitated or restored. Measures to achieve No Net Loss or a Net Gain of biodiversity for at least as long as the project's impacts are biodiversity offsets. Offsets can take the form of positive management interventions such as restoration of degraded habitat, arrested degradation or averted risk, where there is imminent or projected loss of biodiversity. Measures that address residual impacts but are not quantified to achieve No Net Loss or not secured for the long term are compensation, otherwise known as compensatory mitigation.</p>	ESRS E4 Biodiversity and ecosystems
Natural resources	Natural assets (raw materials) occurring in nature that can be used for economic production or consumption.	ESRS E4 Biodiversity and ecosystems
Nature-based solutions	Nature-based solutions are understood as actions to protect, conserve, restore, sustainably use and manage natural or modified terrestrial, freshwater, coastal and marine ecosystems which address social, economic and environmental challenges effectively and adaptively, while simultaneously providing human well-being, ecosystem services, resilience and biodiversity benefits.	ESRS E1 Climate change
Net-zero target	Setting a net-zero target at the level of an undertaking aligned with meeting societal climate goals means (1) achieving a scale of value chain emissions reductions consistent with the depth of abatement at the point of reaching global net-zero in 1.5°C pathways, and (2) neutralizing the impact of any residual emissions (after approximately 90-95% of GHG emission reduction) by permanently removing an equivalent volume of CO ₂ .	ESRS E1 Climate change
Non-employee workers in own workforce	Non-employee workers in an undertaking's own workforce include both individual contractors supplying labour to the undertaking (“self-employed workers”) and workers provided by undertakings primarily engaged in “employment activities” (NACE Code N78).	ESRS S1 Own workforce
Non-renewable energy	<p>Non-renewable energy is energy which cannot be identified as being derived from renewable sources. (adapted from Annex 1 of the Delegated Regulation with regard to disclosure rules on sustainable investments pursuant to Art. 8(4), 9(6) and 11(5) of Regulation (EU) 2019/2088)</p> <p>Fossil fuels such as oil, natural gas, and coal are examples of non-renewable resources.</p>	ESRS E1 Climate change

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Defined term	Definition	[draft] ESRS
Non-renewable material	Resources that are not able to be renewed or replenished on timescales relevant to the economy, i.e., not geological timescales, such as minerals, metals, oil, gas or coal.	ESRS E5 Resource use and circular economy
Overtime	Overtime hours are the number of hours actually worked by a worker in excess of his or her contractual hours of work.	ESRS S1 Own workforce
Own workforce/own workers	'Own workforce' includes workers who are in an employment relationship with the undertaking ('employees') and non-employee workers who are either individual contractors supplying labour to the undertaking ('self-employed workers') or workers provided by undertakings primarily engaged in 'employment activities'. (NACE Code N78)	ESRS S1 Own workforce
Ozone-depleting substances	Substances listed in the Montreal Protocol on Substances that Deplete the Ozone Layer.	ESRS E2 Pollution
Packaging	Products made of any materials of any nature to be used for the containment, protection, handling, delivery, [storage, transport] and presentation of goods, from raw materials to processed goods, from the producer to the user or consumer ⁷ .	ESRS E5 Resource use and circular economy
Pay	Gross hourly earnings, which are the wages and salaries earned by full-time and part-time employees, per hour paid, before any tax and social security contributions are deducted. Wages and salaries include any overtime pay, shift premiums, allowances, bonuses, and commissions.	ESRS S1 Own workforce
Persons with disabilities	Persons with disabilities include those who have long-term physical, mental, intellectual or sensory impairments which in interaction with various barriers may hinder their full and effective participation in society on an equal basis with others. Disability is the umbrella term for impairments, activity limitations and participation restrictions, referring to the negative aspects of the interaction between an individual (with a health condition) and that individual's contextual factors (environmental and personal factors).	ESRS S1 Own workforce
Physical risks	All global economic enterprise depends on the functioning of earth systems, such as a stable climate and ecosystem services, such as the provision of biomass (raw materials). Nature-related physical risks are a direct result of an organisation's dependence on nature. Physical risks arise when natural systems are compromised, due to the impact of climatic events (e.g., extremes of weather such as a drought), geologic events (e.g., seismic events such as an earthquake) events or changes in ecosystem equilibria, such as soil quality or marine ecology, which affect the ecosystem services organisations depend on. These can be acute, chronic, or both. Nature-related physical risks arise as a result of changes in the biotic (living) and abiotic (non-living) conditions that support healthy, functioning ecosystems. Physical risks are usually location-specific. Nature-related physical risks are often associated with climate-related physical risks.	ESRS E4 Biodiversity and ecosystems
Planetary boundaries	This concept allows to estimate a safe operating space for humanity with respect to the functioning of the Earth. The boundary level for each key Earth System process that should not be transgressed if we are to avoid unacceptable global environmental change, is quantified.	ESRS E4 Biodiversity and ecosystems

⁷ See art. 3 (1) of Directive 94/62/EC of the European Parliament and of the Council of 20 December 1994

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Defined term	Definition	[draft] ESRS
		
Policy	<p>A policy is a set or framework of general objectives and management principles that the undertaking uses for decision-making. A policy implements the undertaking's strategy or management decisions related to a material sustainability matter. Each policy is under the responsibility of defined person(s), specifies its perimeter of application, and includes one or more objectives (linked when applicable to measurable targets). A policy is validated and reviewed following the undertakings' applicable governance rules. A policy is implemented through actions or action plans.</p>	ESRS 1 General requirements
Pollutant	<p>A substance, vibration, heat, noise, light or other contaminant present in air, water or soil which may be harmful to human health and/or the environment, which may result in damage to material property, or which may impair or interfere with amenities and other legitimate uses of the environment⁸.</p>	ESRS E2 Pollution
Pollution	<p>The direct or indirect introduction, as a result of human activity, of pollutants into air, water or soil which may be harmful to human health and/or the environment, which may result in damage to material property, or which may impair or interfere with amenities and other legitimate uses of the environment⁹.</p>	ESRS E2 Pollution
Pollution of soil	<p>The introduction into soil - independent of whether that introduction occurs at the production site of an undertaking or outside or through the use of the undertaking's products and/or services - as a result of human activity, of substances, vibrations, heat or noise which may be harmful to human health or the environment, result in damage to material property, or impair or interfere with amenities and other</p>	ESRS E2 Pollution

⁸ REGULATION (EU) 2020/852 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088, at Article 2(10)

⁹ Directive 2010/75/EU of the European Parliament and of the Council of 24 November 2010 on Industrial Emissions (integrated pollution prevention and control), at Article 3(2).

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Defined term	Definition	[draft] ESRS
	legitimate uses of the environment ¹⁰ . Soil pollutants include inorganic pollutants, persistent organic pollutants (POPs), pesticides, nitrogen and phosphorus compounds, etc.	
Potential financial effects	Potential financial effects are the effects on an undertaking's future position, performance and cash flow arising from material sustainability matters whereby the reporting of such effects falls outside the scope of existing accounting requirements.	ESRS E1 Climate change
Protected area	A protected area is a clearly defined geographical space, recognised, dedicated and managed, through legal or other effective means, to achieve the long-term conservation of nature with associated ecosystem services and cultural values.	ESRS E4 Biodiversity and ecosystems
Purchased or acquired energy	When the undertaking has received its energy from a third party. The term "acquired" reflects circumstances where a company may not directly purchase electricity (e.g., a tenant in a building), but where the energy is brought into the undertaking's facility for use.	ESRS E1 Climate change
Raw material	Primary or secondary material that is used to produce a product.	ESRS E4 Biodiversity and ecosystems
Recognised quality standards for carbon credits	Recognised quality standards for carbon credits are those that are verifiable by independent third parties, make requirements and project reports publicly available and at a minimum ensure additionality, permanence, avoidance of double counting and provide rules for calculation, monitoring, and verification of the project's GHG emissions.	ESRS E1 Climate change
Recordable work-related injury or ill health	Work-related injury or ill health that results in any of the following: death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, or loss of consciousness; or significant injury or ill health diagnosed by a physician or other licensed healthcare professional, even if it does not result in death, days away from work, restricted work or job transfer, medical treatment beyond first aid, or loss of consciousness.	ESRS S1 Own workforce
Recovery	Any operation the principal result of which is waste serving a useful purpose by replacing other materials which would otherwise have been used to fulfil a particular function, or waste being prepared to fulfil that function, in the plant or in the wider economy ¹¹ .	ESRS E5 Resource use and circular economy
Recycled/reused water	Water and wastewater (treated or untreated) that has been used more than once before being discharged from the undertaking's boundary, so that water demand is reduced. This may be in the same process (recycled), or in a different process within the same facility or another of the undertaking's facilities (reused).	ESRS E3 Water and marine resources
Recycling	Any recovery operation by which waste materials are reprocessed into products, materials or substances whether for the original or other purposes. It includes the reprocessing of organic material but does not include energy recovery and the reprocessing into materials that are to be used as fuels or for backfilling operations.	ESRS E5 Resource use and circular economy
Regeneration	Promotion of self-renewal capacity of natural systems with the aim of reactivating ecological processes damaged or over-exploited by human action Promotion of self-renewal capacity	ESRS E5 Resource use and circular economy

¹⁰ Directive 2010/75/EU of the European Parliament and of the Council of 24 November 2010 on Industrial Emissions (integrated pollution prevention and control), at Article 3(2)

¹¹ See art. 3 (15) of directive 2008/98/EC of the European Parliament and of the Council of 19 November 2008

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Defined term	Definition	[draft] ESRS
	of natural systems with the aim of reactivating ecological processes damaged or over-exploited by human action	
Regenerative production	Regenerative production is an approach to managing agroecosystems that provides food and material — be it through agriculture, aquaculture or forestry — in ways that create positive outcomes for nature. These outcomes include, but are not limited to, healthy soils, improved air and water quality, and higher levels of carbon sequestration. They can be achieved through a variety of context-dependent practices and can together help regenerate degraded ecosystems and build resilience on farms and in surrounding landscapes.	ESRS E5 Resource use and circular economy
Remedy / remediation	Means to counteract or make good a negative impact or provision of remedy. Examples: apologies, financial or non-financial compensation, prevention of harm through injunctions or guarantees of non-repetition, punitive sanctions (whether criminal or administrative, such as fines), restitution, restoration, rehabilitation.	ESRS S1 Own workforce
Renewable energy	Renewable energy is energy taken from sources that are inexhaustible. As such, renewable energy covers wind, solar (solar thermal and solar photovoltaic) and geothermal energy, ambient energy, tide, wave and other ocean energy, hydropower, biomass, landfill gas, sewage treatment plant gas, and biogas. (Art. 2 (1) Directive (EU) 2018/2001)	ESRS E1 Climate change
Renewable materials	Material that is derived from resources that are quickly replenished by ecological cycles or agricultural processes, so that the services provided by these and other linked resources are not endangered and remain available for the next generation.	ESRS E5 Resource use and circular economy
Resource inflows	Resource that enters the organisation's infrastructure.	ESRS E5 Resource use and circular economy
Resource outflows	Resource that leaves the organisation's infrastructure.	ESRS E5 Resource use and circular economy
Resource use optimisation	The design, production and distribution of materials and products with the objective to keep them in use at their highest value. Eco-design and design for longevity, repair, reuse, repurposing, disassembly, remanufacturing are examples of tools to prevent from a quick and limited use of materials and products.	ESRS E5 Resource use and circular economy
Reuse	Any operation by which products and components that are not waste are used again for the same purpose for which they were conceived. This may involve cleaning or small adjustments so it is ready for the next use without significant definition ¹² .	ESRS E5 Resource use and circular economy
River Basin district	The area of land and sea, made up of one or more neighbouring river basins together with their associated groundwaters and coastal waters, which is identified as the main unit for management of river basins ¹³ . (Article 2 of Water Framework Directive)	ESRS E3 Water and marine resources
Scenario	A plausible description of how the future may develop based on a coherent and internally consistent set of assumptions about key driving forces (e.g., rate of technological change,	ESRS E1 Climate change

¹² See art. 3 (13) of the Directive 2008/98/EC of the European Parliament and of the Council of 19 November 2008.

¹³ See art. 2 of the Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy.

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Defined term	Definition	[draft] ESRS
	prices) and relationships. Note that scenarios are neither predictions nor forecasts but are used to provide a view of the implications of developments and actions.	
Scenario analysis	Scenario analysis is a process for identifying and assessing a potential range of outcomes of future events under conditions of uncertainty.	ESRS E1 Climate change
Scope 3 category	Scope 3 category is one of the 15 types of Scope 3 emissions identified by the GHG Protocol Corporate Standard and detailed by the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (adapted from GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard, Glossary (Version 2011)) Undertakings that choose to account for their Scope 3 emissions based on the indirect GHG emissions categories of ISO 14064-1:2018 may also refer to the category defined in clause 5.2.4 (excluding indirect GHG emissions from imported energy) of ISO 14064-1:2018.	ESRS E1 Climate change
Severity of a negative impact	The severity of a negative impact is determined by its (i) scale: how grave the impact is, (ii) scope: how widespread the impact is, and (iii) its irremediable character: how hard it is to counteract or make good the resulting harm	ESRS 1 General requirements
Site	Means a single location, in which, if there is more than one manufacturer of (a) substance(s), certain infrastructure and facilities are shared ¹⁴ .	ESRS E2 Pollution
Social dialogue	All types of negotiation, consultation or simply exchange of information between, or among, representatives of governments, employers, their organisations and workers' representatives, on issues of common interest relating to economic and social policy. It can exist as a tripartite process, with the government as an official party to the dialogue or it may consist of bipartite relations only between workers' representatives and management (or trade unions and employers' organisations).	ESRS S1 Own workforce
Social protection	Social protection is defined as the set of measures designed to reduce and prevent poverty and vulnerability across the life cycle.	ESRS S1 Own workforce
Soil	The top layer of the Earth's crust situated between the bedrock and the surface. The soil is composed of mineral particles, organic matter, water, air and living organisms ¹⁵ .	ESRS E2 Pollution
Soil degradation	'Soil degradation' means the diminishing capacity of the soil to provide ecosystem goods and services as desired by its stakeholders, according to IPBES as referred to in paragraph 100 of Decision No 1386/2013/EU.	ESRS E4 Biodiversity and ecosystems
Soil sealing	A "sealed area" means any area where the original soil has been covered (such as roads) making it impermeable. This non-permeability can create environmental impacts as described in Annex IV EMAS Regulation - EU 2018/2026.	ESRS E4 Biodiversity and ecosystems
Specific loads	Mass of pollutant released per mass of product manufactured. Specific loads allow for the comparison of the environmental performance of installations irrespective of their different	ESRS E2 Pollution

¹⁴ REGULATION (EC) No 1907/2006 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) at Article 3 (16)

¹⁵ Directive 2010/75/EU of the European Parliament and of the Council of 24 November 2010 on Industrial Emissions (integrated pollution prevention and control), at Article 3(21).

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Defined term	Definition	[draft] ESRS
	production volumes and are not influenced by mixing or dilution ¹⁶ .	
Stakeholder engagement	An ongoing process of interaction and dialogue between the undertaking and its stakeholders that enables the undertaking to hear, understand and respond to their interests and concerns.	ESRS S2 Workers in the value chain
Stakeholder(s)	Stakeholders are those who can affect or be affected by the undertaking. There are two main groups of stakeholders: a) affected stakeholders: individuals or groups whose interests are affected or could be affected – positively or negatively – by the undertaking’s activities and its direct and indirect business relationships across its value chain; and b) users of sustainability statements: primary users of general-purpose financial reporting (existing and potential investors, lenders and other creditors including asset managers, credit institutions, insurance undertakings), as well as other users, including the undertaking’s business partners, trade unions and social partners, civil society and non-governmental organisations, governments, analysts and academics. Some, but not all, stakeholders may belong to the two groups.	ESRS 1 General requirements
Strategy	The undertaking’s plan to achieve its mission and vision and apply its core values. It incorporates the set of goals or purposes the undertaking assigns itself in terms of delivering certain defined products and services to defined categories of customers in certain defined geographic areas under a defined framework of relationships with all stakeholders.	ESRS 2 General disclosures
Substances of concern	Substances of concern means a substance that: a) meets the criteria laid down in Article 57 and is identified in accordance with Article 59(1) of Regulation (EC) No 1907/2006; b) is classified in Part 3 of Annex VI to Regulation (EC) in one of the following hazard classes or hazard categories: – No 1272/2008 – carcinogenicity categories 1 and 2, – germ cell mutagenicity categories 1 and 2, – reproductive toxicity categories 1 and 2, [to be added in the course of the legislative procedure once Regulation (EC) No 1272/2008 contains these hazard classes: Persistent, Bioaccumulative, Toxic (PBTs), very Persistent very Bioaccumulative (vPvBs); Persistent, Mobile and Toxic (PMT), very Persistent very Mobile (vPvM); Endocrine disruption], – respiratory sensitisation category 1, – skin sensitisation category 1, – chronic hazard to the aquatic environment categories 1 to 4, – hazardous to the ozone layer, – specific target organ toxicity – repeated exposure categories 1 and 2, – specific target organ toxicity – single exposure categories 1 and 2; or c) any other substance that are set out in applicable EU legislation ¹⁷ .	ESRS E2 Pollution

¹⁶ COMMISSION IMPLEMENTING DECISION of 10 February 2012 laying down rules concerning guidance on the collection of data and on the drawing up of BAT reference documents and on their quality, assurance referred to in Directive 2010/75/EU of the European Parliament and of the Council on industrial emissions, page 36.

¹⁷ In that regard, legislation in the wake of the EU Chemicals Strategy for Sustainability will be of particular importance.

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Defined term	Definition	[draft] ESRS
Substances of Very High Concern (SVHCs)	Substances that meet the criteria laid down in Article 57 of Regulation (EC) 1907/2006 (REACH) and were identified in accordance with Article 59(1) of that Regulation.	ESRS E2 Pollution
Supplier	Entity upstream from the organisation (i.e., in the organisation's supply chain), which provides a product or service that is used in the development of the organisation's own products or services. A supplier can have a direct business relationship with the organisation (often referred to as a first-tier supplier) or an indirect business relationship.	ESRS S2 Workers in the value chain
Supply chain	The full range of activities or processes carried out by entities upstream from the undertaking, which provide products or services that are used in the development of the undertaking's own products or services. This includes upstream entities with which the undertaking has a direct relationship (often referred to as a first-tier supplier) or an indirect business relationship.	ESRS 1 General requirements
Sustainability matters	Sustainability matters' means environmental, social and human rights, and governance factors, including sustainability factors defined in point (24) of Article 2 of Regulation (EU) 2019/2088.	ESRS 1 General requirements
Sustainability statements	The dedicated section of the undertaking's management report where the information about sustainability matters prepared in compliance with the CSRD and the [draft] ESRS is presented.	ESRS 1 General requirements
Sustainability-related financial opportunities (or 'opportunities')	Sustainability-related financial opportunities are uncertain environmental, social or governance events or conditions that, if they occur, could cause a potential material positive effect on the undertaking's business model, strategy, its capability to achieve its goals and targets and to create value, and therefore may influence its decisions and those of its business relationship partners with regards to sustainability matters. Like any other opportunity, sustainability-related opportunities are measured as a combination of an impact's magnitude and the probability of occurrence.	ESRS 2 General disclosures
Sustainability-related financial risks (or 'risks')	Sustainability-related financial risks are uncertain environmental, social or governance events or conditions that, if they occur, could cause a potential material negative effect on the undertaking's business model, strategy and sustainability strategy, its capability to achieve its goals and targets and to create value, and therefore may influence its decisions and those of its business relationships with regard to sustainability matters. Like any other risks, sustainability-related risks are the combination of an impact's magnitude and the probability of occurrence.	ESRS 2 General disclosures
Sustainability-related impacts	The effect the undertaking has or could have on the environment and people, including effects on their human rights, as a result of the undertaking's activities or business relationships. The impacts can be actual or potential, negative or positive, short-term or long-term time horizons, intended or unintended, and reversible or irreversible. Impacts indicate the undertaking's contribution, negative or positive, to sustainable development.	ESRS 2 General disclosures
Sustainable agriculture practices	-	ESRS E4 Biodiversity and ecosystems
Sustainable land practices	-	ESRS E4 Biodiversity and ecosystems

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Defined term	Definition	[draft] ESRS
Sustainable ocean practices	-	ESRS E4 Biodiversity and ecosystems
Sustainable seas practices	-	ESRS E4 Biodiversity and ecosystems
Systemic risks	Risks arising from the breakdown of the entire system, rather than the failure of individual parts. They are characterised by modest tipping points combining indirectly to produce large failures with cascading of interactions of physical and transition risks (contagion), as one loss triggers a chain of others, and with systems unable to recover equilibrium after a shock. An example is the loss of a keystone species, such as sea otters, which have a critical role in ecosystem community structure. When sea otters were hunted to near extinction in the 1900s, the coastal ecosystems flipped and biomass production was greatly reduced.	ESRS E4 Biodiversity and ecosystems
Targets	Targets are measurable, outcome-oriented goals that the undertaking aims to achieve in relation to material impacts, risks or opportunities.	ESRS 1 General requirements
Threatened species	Threatened species means endangered species, including flora and fauna, listed in the European Red List or the IUCN Red List, as referred to in Section 7 of Annex II to Delegated Regulation (EU) 2021/2139.	ESRS E4 Biodiversity and ecosystems
Training	For the aim of this Standard, training is defined as those initiatives put in place by the undertaking aimed at the maintenance and/or improvement of skills and knowledge of its own workers. It can include different methodologies, such as on-site training, and online training.	ESRS S1 Own workforce
Transition plan	A transition plan is a specific type of action plan that is adopted by the undertaking in relation to a strategic decision and that addresses: (a) a public policy objective; and/ or (b) an entity-specific action plan organised as a structured set of targets and actions, associated with a key strategic decision, a major change in business model, and/or particularly important actions and allocated resources.	ESRS 1 General requirements
Transition plan for climate change mitigation	An aspect of an undertaking's overall strategy that lays out the entity's targets and actions for its transition towards a lower-carbon economy, including actions such as reducing its GHG emissions and with the objective of limiting climate change to 1.5°C and climate neutrality.	ESRS E1 Climate change
Transition risks	Nature-related transition risks are risks that result from a misalignment between an organisation's or investor's strategy and management and the changing regulatory, policy or societal landscape in which it operates. Developments aimed at halting or reversing damage to nature, such as government measures, technological breakthroughs, market changes, litigation and changing consumer preferences can all create or change transition risks.	ESRS E4 Biodiversity and ecosystems
Value chain	Value chain is the full range of activities, resources and relationships related to the undertaking's business model(s) and the external environment in which it operates. A value chain encompasses the activities, resources and relationships	ESRS 1 General requirements

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Defined term	Definition	[draft] ESRS
	the undertaking uses and relies on to create its products or services from conception to delivery, consumption and end-of-life. Relevant activities, resources and relationships include: a) those in the undertaking's operations, such as human resource; b) those along its supply, marketing and distribution channels, such as materials and service sourcing and product and service sale and delivery; and c) the financing, geographical, geopolitical and regulatory environments in which the undertaking operates. Value chain includes entities (or actors) upstream and downstream from the undertaking. Entities upstream from the undertaking (e.g., suppliers) provide products or services that are used in the development of the undertaking's products or services. Entities downstream from the undertaking (e.g., distributors, customers) receive products or services from the undertaking.	
Wage	Gross wage, excluding variable components such as overtime and incentive pay, and excluding allowances unless they are guaranteed.	ESRS S1 Own workforce
Waste	Any substance or object which the holder discards or intends or is required to discard ¹⁸ .	ESRS E5 Resource use and circular economy
Waste hierarchy	The waste hierarchy is the following priority order in waste prevention and management: (a) prevention; (b) preparing for re-use; (c) recycling; (d) other recovery, e.g., energy recovery; and (e) disposal ¹⁹ .	ESRS E5 Resource use and circular economy
Waste management	The collection, transport, recovery and disposal of waste, including the supervision of such operations and the after-care of disposal sites, and including actions taken as a dealer or broker ²⁰ .	ESRS E5 Resource use and circular economy
Wastewater	Water which is of no further immediate value to the purpose for which it was used or in the pursuit of which it was produced because of its quality, quantity, or time of occurrence. Wastewater from one user can be a potential supply to a user elsewhere. Cooling water is not considered to be wastewater.	ESRS E3 Water and marine resources
Water consumption	The amount of water drawn into the boundaries of the undertaking (or facility) and not discharged back to the water environment or a third party over the course of the reporting period.	ESRS E3 Water and marine resources
Water discharge	The sum of effluents and other water leaving the boundaries of the organisation and released to surface water, groundwater, or third parties over the course of the reporting period.	ESRS E3 Water and marine resources
Water intensity	A metric providing the relationship between a volumetric aspect of water and a unit of activity (products, sales, etc.) created.	ESRS E3 Water and marine resources

¹⁸ See article 3(1) of the Directive 2008/98/EC of the European Parliament and of the Council of 19 November 2008

¹⁹ See art. 4 (1) of the Directive 2008/98/EC of the European Parliament and of the Council of 19 November 2008.

²⁰ See art. 3 (9) of the Directive 2008/98/EC of the European Parliament and of the Council of 19 November 2008.

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Defined term	Definition	[draft] ESRS
Water scarcity	Refers to the volumetric abundance, or lack thereof, of freshwater resources. Scarcity is human driven; it is a function of the volume of human water consumption relative to the volume of water resources in a given area. As such, an arid region with very little water, but no human water consumption would not be considered scarce, but rather arid. Water scarcity is a physical, objective reality that can be measured consistently across regions and over time. Water scarcity reflects the physical abundance of freshwater rather than whether that water is suitable for use. For instance, a region may have abundant water resources (and thus not be considered water scarce) but have such severe pollution that those supplies are unfit for human or ecological uses.	ESRS E3 Water and marine resources
Water withdrawal	The sum of all water drawn into the boundaries of the undertaking from all sources for any use over the course of the reporting period.	ESRS E3 Water and marine resources
Worker in the value chain	An individual performing work in the value chain of the undertaking, regardless of the existence or nature of any contractual relationship with that undertaking. In the ESRS, the following is included in the scope of workers in the value chain: all workers in the undertaking's upstream and downstream value chain who are or can be materially impacted by the undertaking, this includes impacts that are caused or contributed to by the undertaking and those which are directly linked to its own operations, products, or services through its business relationships. This includes all workers who are not included in the scope of "Own workforce" ("Own workforce" includes workers who are in an employment relationship with the undertaking ('employees') and non-employee workers who are either individual contractors supplying labour to the undertaking ('self-employed workers') or workers provided by undertakings primarily engaged in 'employment activities' (NACE Code N78)).	ESRS S2 Workers in the value chain
Workers' representatives	'Workers' representatives' means: <ul style="list-style-type: none"> i. trade union representatives, namely, representatives designated or elected by trade unions or by members of such unions in accordance with national legislation and practice; ii. duly elected representatives, namely, representatives who are freely elected by the workers of the organisation, not under the domination or control of the employer in accordance with provisions of national laws or regulations or of collective agreements and whose functions do not include activities which are the exclusive prerogative of trade unions in the country concerned and which existence is not used to undermine the position of the trade unions concerned or their representatives. 	ESRS S1 Workers in the value chain
Work-life balance	Satisfactory state of equilibrium between an individual's work and private life. Work-life balance encompasses not only the balance between work and private life given family or care responsibilities, but also time allocation between time spent at work and in private life beyond family responsibilities.	ESRS S1 Own workforce
Work-related hazards	Work-related hazards (sources or situations with the potential to cause injury or ill health) can be:	ESRS S1 Own workforce

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Defined term	Definition	[draft] ESRS
	<ul style="list-style-type: none"> i. physical (e.g., radiation, temperature extremes, constant loud noise, spills on floors or tripping hazards, unguarded machinery, faulty electrical equipment); ii. ergonomic (e.g., improperly adjusted workstations and chairs, awkward movements, vibration); iii. chemical (e.g., exposure to solvents, carbon monoxide, flammable materials, or pesticides); iv. biological (e.g., exposure to blood and bodily fluids, fungi, bacteria, viruses, or insect bites); v. psychosocial (e.g., verbal abuse, harassment, bullying); vi. related to work-organisation (e.g., excessive workload demands, shift work, long hours, night work, workplace violence). 	
Work-related incident	<p>Occurrence arising out of or in the course of work that could or does result in injury or ill health</p> <p>Incidents might be due to, for example, electrical problems, explosion, fire; overflow, overturning, leakage, flow; breakage, bursting, splitting; loss of control, slipping, stumbling and falling; body movement without stress; body movement under/with stress; shock, fright; workplace violence or harassment (e.g., sexual harassment).</p> <p>An incident that results in injury or ill health is often referred to as an 'accident'. An incident that has the potential to result in injury or ill health but where none occurs is often referred to as a 'close call', 'near-miss', or 'near-hit'.</p>	ESRS S1 Own workforce



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